GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:730
ANSWERED ON:04.03.2005
SHARES PURCHASED BY FIIS
Singh Shri Rajiv Ranjan (Lalan);Suman Shri Ramji Lal

Will the Minister of FINANCE be pleased to state:

(a) whether foreign institutiona! investors purchased the shares of good profit earning companies of India during the financial year 2003-2004;

(b) if so, whether by December, 2004, these foreign institutional investors purchased upto 20 per cent shares of most of the companies of the country; and

(c) if so, the names of those Government and non-Government companies whose 20 per cent or more shares are with FIIs?

Answer

MINISTER OF STATE FOR FINANCE (SHRI S.S. PALANIMANICKAM)

(a) According to the information furnished by the Securities and Exchange Board of India (SEBI) Foreign Institutiona! Investors (FIIs) can invest in securities in the primary and secondary markets including shares of companies listed, unlisted or to be iisted on a recognised stock exchange in India under the provisions of SEBI(FII) Regulations. 1995. During the financial year 2003-04. net FI1 investment in equity was Rs.39,960 crores invested across 587 companies, most of which are listed in major stock exchanges. Many of these companies may have earned profits in the financial year 2003-04.

(b)anri (c); The information is being Collected and will be placed on the Table of the House.